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Great Britain and the Community

The demand for "fundamental renegotiation" for the conditions of Great Britain's EC-membership as contained in the Labour manifesto and the Queen's Address is now Government policy. Since the Labour party's statements, mainly during the electoral contest, verbally sounded very tough, political quarters in the EC-member states wondered whether Mr Wilson's Government intended to enter into these negotiations for obtaining reforms, but with the purpose to stay in the Community, or whether it wanted to leave it for good.

During the foreign policy debate the new Foreign Secretary James Callaghan contributed much to clearing the situation. In his first great speech elucidating the new Government's foreign policy he assumed a considerably more prudent attitude towards EC-problems and European cooperation than his party's last radical manifesto had indicated. According to Mr Callaghan the new Government does not seek confrontation with the EC and thinks nothing of a "policy of the empty chair". The Government wants constructive renegotiation of the conditions of Britain's entry, its guideline being the protection of the British people against rising food prices and imported inflation. In Mr Callaghan's opinion the Treaty of Rome will not be concerned, since its reformulation would require the ratification by the Parliaments of all EC-members.

Although no details of the British Government's future foreign policy can be discerned as yet, it appears to be certain that Mr Wilson intends to exploit the present crisis between the United States and the EC-nations for its own efforts for reforming the Community. Mr Callaghan refers in this connexion to the British people's deep scepticism of the EC and to the doubts the US-Administration expressed about this subject.

Here the new Government has a chance to make an important contribution to ending the transatlantic arguments. But it must aim at more than cutting the costs of British EC-membership. Important issues are at stake — the West European defence system, the problems of détente, the relations between mineral oil consumers and suppliers as well as between developed and less developed countries. All these problems can be managed only through West European coopera-

tion and a revitalisation of the Atlantic partnership.

And here it is where the British-German relationship is involved. The two countries are natural allies because both of them are interested in reforming the Community. Paying the highest contribution to the common agricultural policy the Federal Republic of Germany like Great Britain is highly interested in reducing its costs, keeping prices of farm products as low as feasible and stopping expensive and wasteful surpluses. Furthermore both countries prefer liberal trade policies and their attitude towards development policy problems is very much the same.

As far as the reform of the Community, particularly of its agricultural policy is concerned, France will probably resist strongly. So far the French Government has kept quiet and indicates that it will wait and see what Britain's tactics will be in Brussels. Fundamental renegotiations, however, as planned by Prime Minister Wilson will find no friendly welcome in Paris. France's new Minister for Agriculture, Marcellin, has already announced that the common agricultural market must function normally, no matter what demands London intends to make. Therefore, if no other way out offers itself, France in the last resort might prefer Britain's withdrawal from the European Community to giving up major advantages in the common agricultural market. But if Great Britain and Western Germany stand firmly together, there might be a long-term chance to obtain at least some favourable changes in West European rather absurd agricultural policies.

The opinions on the duration of the new Government differ widely, but since Mr Wilson seems to be bent on moderation and none of the major parties can possibly have an interest in early elections, the outlook is not hopeless. Western Europe, however, is now at least morally obliged to give Great Britain any assistance it requires in its precarious economic situation. The Federal Republic of Germany for instance might offer a loan of the kind which the Heath Government was too proud to accept in 1972 and France last year turned down. The Regional Fund, too, should be renegotiated favourably. All this would also be in the true interest of the whole Community, for its power depends on the strength of its temporarily weaker members.

Hubert Höping